



Memorandum

TO: HONORABLE MAYOR AND

CITY COUNCIL

FROM: Sara L. Hensley

SUBJECT: ONE-TIME INCREASE OF

A SPECIAL EVENT GATE FEE

DATE: 05-05-04

Approved Date

COUNCIL DISTRICT: <u>CITY-WIDE</u>

SNI AREA: N/A

RECOMMENDATION

Approval of a one-time increase in the maximum gated event fee from \$10 to \$13 per person, for the San José Gay Pride Festival to be held in Guadalupe River Park, Discovery Meadow, on June 12 and 13, 2004.

BACKGROUND

On March 29, 1994, City Council approved the final Report of the Special Events Task Force, chaired by Councilmember Charlotte Powers. By that action, City Council allowed event organizers to "gate" events on public property and charge the general public a fee to enter, with the following conditions: 1) charge no more than a "modest" fee (\$10 per person), and 2) remit 5% of gross gate fees to support the Festival, Parade and Celebration (FPC) Grant Program. By these conditions, the Task Force sought to limit financial barriers to the general public and to assist in supporting those events (through the FPC Grant Program) that remain free to the public.

The Task Force recommended that gated events be allowed in Guadalupe River Park and the Almaden Boulevard festival site, as well as "other sites as designated by the Director." The Director of Parks, Recreation and Neighborhood Services (PRNS) oversees events in the Guadalupe River Park and Discovery Meadow.

As a result of the Task Force recommendation, gated events such as the Cinco de Mayo Festival and the Concert for the Homeless (Fourth of July) have occurred within the downtown event sites.

HONORABLE MAYOR AND CITY COUNCIL 05-05-04

Subject: One-Time Increase of a Special Event Gate Fee

Page 2

On October 28, 1999, the organizer of the Post Street New Year's Celebration, scheduled for December 31, 1999 as a gated event in the downtown, requested a one-time increase in the maximum gate fee to \$15 per person. The Arts Commission and the Department of Conventions, Arts and Entertainment (CAE), supported and recommended this one-time increase. City Council approved the recommendation on November 23, 1999.

Organizers of the June 12 and 13, 2004 San José Gay Pride Festival have requested a one-time increase in the maximum gated event entrance fee from \$10 to \$13 for this event. Staff is requesting that this matter be considered by City Council on May 25, 2004, in order to allow sufficient noticing time to event organizers, since its decision will impact the cost structure and feasibility of conducting the San José Gay Pride Festival on June 12 and 13, 2004.

ANALYSIS

Staff supports the one-time gate fee increase proposed for the San José Gay Pride Festival to be held in June 2004. Allowing an increase in the gate fee from \$10 to the requested \$13 appears to be reasonable and would recognize increased vendor and entertainment costs, while remaining consistent with City Council's intent for modest entrance fees.

While \$10 represented a "modest" fee in 1994, now (10 years later) an increase in the gated fee will be recommended as part of the PRNS and CAE Fees and Charges Resolution for Fiscal Year 2004-2005. The gated event fee will be proposed to increase from \$10 to a maximum fee of \$15.

PUBLIC OUTREACH

As part of the One-Start application process for streamlining festival permits process, the Office of Cultural Affairs sent a public meeting notice on January 16, 2004, to 115 event producers and non-profits that conduct events in San José, inviting them to a meeting on February 4, 2004. Attendees were encouraged to provide input on all topics relating to special events as part of the November 4, 2003, City Council *Getting Families Back to Work Initiative*. At this meeting, event organizers recommended the maximum gate fee be raised from \$10 to \$15 for 2004. This public outreach supports the San José Gay Pride Festival request for a one-time increase, as well as the forthcoming 2004-2005 Fees and Charges Resolution recommendations to increase the maximum, gated event fee.

COORDINATION

This item has been coordinated with the City Attorney's Office and the Office of Cultural Affairs.

HONORABLE MAYOR AND CITY COUNCIL 05-05-04 Subject: One-Time Increase of a Special Event Gate Fee Page 3

CEQA

This is not a project.

SARA L. HENSLEY Director of Parks, Recreation and Neighborhood Services